

February 12, 2021

Amy Craddock, PhD, Assistant Chief, Healthcare Planning  
NC Department of Health and Human Services  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
2704 Mail Service Center  
Raleigh, North Carolina 27699

RE: Comments Regarding the 2022 State Medical Facilities Plan (SMFP) Need Methodologies & COVID-19

Dear Dr. Craddock:

Novant Health appreciates the opportunity to comment on SMFP methodologies and COVID-19 as you requested in your December 4, 2020 email. We agree with the Healthcare Planning and CON Section that the SMFP need methodologies should be reviewed to determine if and how they should be modified to prevent impacts from the COVID-19 pandemic from distorting long-term health planning decisions.

Rather than discuss each methodology separately here, there are general concerns and considerations which should be taken into account that impact each section of the SMFP. The COVID-19 pandemic and its impact on health facilities is on-going and no one knows when those impacts will end and health facilities will return to normal operations. One thing seems clear: FFY 2020 was not a normal year and the data from that year is not a good guide to post-COVID-19 facility needs, and FFY 2021 will not be either. Incorporating data from those years into the SMFP need formulas is almost certain to distort projected need reported in the 2022 SMFP and future SMFPs that use data from those years. The facilities and services developed pursuant to the SMFP need methodologies are intended to be used decades into the future for the benefit of all North Carolinians, including medically-underserved populations. The disruptions caused by COVID-19 could have the impact of understating the true need for healthcare facilities and services. The level of disruption will depend on the type of service and possibly on other factors such as geography. COVID-19 has also emphasized the need to address inequalities in healthcare, such as barriers to access. If, as is commonly understood, the pandemic caused utilization of certain services to decline, and therefore, fewer needs are generated in the 2022 SMFP and subsequent SMFPs, barriers to access may only increase.

Therefore, Novant Health supports the formation of workgroup(s) to further advise the Department how to revise the data and projection methods in the 2022 SMFP inpatient days, surgical procedures, CON-regulated equipment, and other assets covered by the SMFP. Novant Health welcomes the opportunity to participate on these workgroups and will have more complete internal data for 2020 early in 2021 to inform our analysis and recommendations.

Again, thank you for the consideration. Please contact me if you have questions or need more information.

Sincerely,

Andrea Gymer  
Vice President, Integration & Operational Planning  
Novant Health